

**UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION**

In re

CITY OF DETROIT, MICHIGAN,

Debtor.

: Chapter 9

: Case No. 13-53846

: Hon. Steven W. Rhodes

X

**STIPULATION FOR AN ORDER REGARDING
ORDINARY COURSE SETTLEMENT OF UAW GRIEVANCE CLAIM**

The City of Detroit (the "City"), the International Union, UAW and UAW Local Unions 2211, 412 and 212 (collectively, the "UAW" and, together with the City, the "Parties"), by and through their respective undersigned counsel, stipulate as follows:

1. On February 21, 2014, the UAW filed proof of claim number 3420 (the "Claim") against the City on behalf of UAW-represented employees of the City and the Detroit Library Commission (collectively, the "UAW-Represented Employees"), asserting liabilities relating to employee compensation and employee and retiree benefits.

2. Although the Claim is unliquidated in the aggregate, certain liabilities asserted in the Claim are liquidated (the "Liquidated Liabilities"). The Liquidated Liabilities include liabilities of an estimated \$330,000 as set forth

in the Claim associated with a November 9, 2012 grievance filed by the UAW, alleging that certain then-current Law Department employees were not paid 5% merit increases earned prior to the implementation of the City Employment Terms between the City and the Union in July 2012 , and a January 9, 2012 grievance regarding the discharge of a former Law Department employee (collectively, the "Grievances").

3. The Parties have agreed on the terms of a settlement of the Grievances (the "Ordinary Course Settlement"), which will be excluded from the Claim and paid in the ordinary course of the City's operations.

4. Accordingly, the Parties have agreed that: (a) the UAW will withdraw that portion of the Claim that arises from the Grievances, subject to the terms of the Ordinary Course Settlement; and (b) the Claim shall thereby be deemed reduced in the amount of \$330,000, subject to the City's right to object further to the Claim (as so reduced), and the UAW's right to respond to any such objection, on any and all available grounds.

5. The Parties therefore request that the Court enter the proposed Order attached hereto as Exhibit 1 approving this Stipulation.

Dated: December 4, 2014

/s/ Babette Ceccotti

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ATTORNEYS FOR THE CITY

EXHIBIT 1

**UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION**

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In re : Chapter 9
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CITY OF DETROIT, MICHIGAN, : Case No. 13-53846
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Debtor. : Hon. Steven W. Rhodes
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**ORDER REGARDING ORDINARY COURSE
SETTLEMENT OF UAW GRIEVANCE CLAIM**

This matter came before the Court on the Stipulation for an Order Regarding Ordinary Course Settlement of UAW Grievance Claim (the "Stipulation"),¹ filed by the City of Detroit (the "City") the International Union, UAW and UAW Local Unions 2211, 412 and 212 (collectively, the "UAW" and, together with the City, the "Parties"). The Court has reviewed the Stipulation and finds that (a) the Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334, (b) this is a core proceeding pursuant to 28 U.S.C. § 157(b) and (c) and the Court being fully advised in the premises;

IT IS HEREBY ORDERED THAT:

1. The Stipulation is APPROVED.

¹ Capitalized terms not otherwise defined herein have the meanings given to them in the Stipulation.

2. That portion of the Claim that arises from the Grievance is withdrawn, subject to the terms of the Ordinary Course Settlement among the Parties, and the Claim is thereby reduced in the amount of \$330,000, subject to the City's right to object further to the Claim (as so reduced), and the UAW's right to respond to any such objection, on any and all available grounds.

CERTIFICATE OF SERVICE

I, Heather Lennox, hereby certify that the foregoing Stipulation for an Order Regarding Ordinary Course Settlement of UAW Grievance Claim, was filed and served via the Court's electronic case filing and noticing system on this 4th day of December, 2014.

/s/ Heather Lennox